



State of Illinois

**2009 Privilege and Retaliatory Tax Return for Health Maintenance Organizations, Limited Health Service Organizations, Voluntary Health Service Plans and Dental Service Plans**

**Business during the Calendar Year 2009**

**Due: March 15, 2010**

**Web Site: [www.insurance.illinois.gov](http://www.insurance.illinois.gov) (Department Links>Industry>Company Information>Tax Forms)**

Federal Employer Identification Number: \_\_\_\_\_ NAIC: \_\_\_\_\_

\_\_\_\_\_  
Name of Insurance Company

with principal office located at \_\_\_\_\_  
Street and Number City State Zip Code

incorporated under the laws of the State of \_\_\_\_\_ as required by and in

accordance with "215 ILCS 5/410" of the Illinois Compiled Statutes.

Mailing address, if other than principal office location shown above: \_\_\_\_\_

Contact person: \_\_\_\_\_ Phone: ( ) \_\_\_\_\_

## Instructions

**Important Notice:** The FEIN must be on this return to ensure proper posting to your company account.

1. The Privilege and Retaliatory Tax Return must be filed and the taxes due must be paid on or before March 15, 2010.  
**The official filing date is the U.S. Postal date per 50 Ill. Adm. Code 2500.60.**
2. Separate check and tax return is requested for each company of an insurance group.
3. No authority exists for granting any extension of time for filing the tax return or payment.
4. This tax return will be subject to audit and subsequent adjustments if necessary.
5. Any penalties to be levied will be assessed as provided by "215 ILCS 5/412," Illinois Compiled Statutes.
6. Remittance should be made payable to the **Illinois State Treasurer** and mailed with the completed tax return to:  
Illinois Department of Insurance, P.O. Box 7087, Springfield, Illinois 62791. Courier deliveries may be made to 320 West Washington Street, Springfield, IL 62767-0001.
7. Amended tax returns should be filed under separate cover. Only the amended pages need to be filed with a detailed letter of explanation.

***Do not mail checks or forms with the Annual Statement.***

**Important Notice:** Disclosure of this information is **required** under the Illinois Compiled Statutes' insurance laws. Failure to provide this information will result in a fine. This form has been approved by the Forms Management Center.

***Only complete the part applicable to your license.***

Type of Organization or Plan	Premium
<b>Health Maintenance Organizations</b> Net taxable premium per Schedule T of the Annual Statement, Page 36, Line 14, Column 2	
<b>Limited Health Service Organizations</b> Net taxable premium per Schedule T of the Annual Statement, Page 36, Line 14, Column 2	
<b>Voluntary Health Service Plans</b> Net taxable premium per Schedule T of the Annual Statement, Page 36, Line 14, Column 2	
<b>Dental Service Plans</b> Net taxable premium per Schedule T of the Annual Statement, Page 36, Line 14, Column 2	
<b>Life, Accident &amp; Health Companies that file Health Annual Statement blank</b> Net taxable premium per Schedule T of the Annual Statement, Page 36, Line 14, Column 2	
<b>Property &amp; Casualty Companies that file Health Annual Statement blank</b> Net taxable premium per Schedule T of the Annual Statement, Page 36, Line 14, Column 2	
<b>Less Medicare Premium</b>	
1. Medicare Advantage (MA) and/or Medicare Advantage--Part D (MA-PD) Premiums	\$
2. Medicare Part D Standalone Premiums	\$
3. Taxable Premium (Premium Written Less Medicare) (show on Page 3, Line 1)	\$

**Amounts must agree to the Health Annual Statement blank.  
All discrepancies must attach a letter of reconciliation.**

Federal Employer Identification Number: \_\_\_\_\_

Calendar Year Privilege Tax Calculation	1 Premium	2 Premium Rate	3 Premium Tax
1. PREMIUMS			
2. PRIVILEGE TAX (Column 1, Line 1 x Column 2)		.004	
<b>Less Credits to the Privilege Tax</b>			
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS  Complete Lines 3 through 4 if Corporate and Replacement Income Taxes are <b>not</b> paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed.			
3. ILLINOIS CORPORATE INCOME TAX PAYMENTS			
3a. Final Payment			
3b. Total Quarterly Payments			
3c. Other Payments paid during Calendar Year			
3d. Less: State Income Tax Cash Refunds Received			
3e. <b>TOTAL</b>			
4. ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
4a. Final Payment			
4b. Total Quarterly Payments			
4c. Other Payments paid during Calendar Year			
4d. Less: Replacement State Income Tax Cash Refunds Received			
4e. <b>TOTAL</b>			
5. TOTAL NET INCOME TAXES (Lines 3e + 4e, Column 1)			
6. Unitary Member Income Tax Offset (Schedule U-1)			
7. Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 1, Column 1 x 1.5%)			
8. Intergradation Offset Amount (Line 5 or 6 minus Line 7; if negative, enter -0-).			
9. NET PRIVILEGE TAX (Line 2, Column 3 minus Line 8)			

**Company Name:** \_\_\_\_\_

## Computation of Retaliatory Taxes

Under "215 ILCS 5/444 and 5/444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2. Please attach a detailed reconciliation incorporating the Illinois data in place of the State of Domicile data.

Detail of Line 8 for State of Incorporation Basis:

<b>Retaliatory Tax Calculation</b>	<b>Column 1 State of Illinois Basis</b>	<b>Column 2 State of Incorporation Basis</b>
1. Annual Statement Filing Fee Paid	\$200.00	
2. Certificate of Authority Fee Paid	\$200.00	
3. Fire Marshal Tax Paid	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
4. Fire Department Tax Paid (proof of payment must be attached)	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5. Financial Regulation Fee Paid		
6. Policy Form Filing Fee Paid		
* 7a. Illinois Corporate & Replacement Income Taxes Paid (show cash refund of prior year tax as a negative)		XXXXXXXXXXXXXXXXXX
** 7b. Corporate Income Tax paid in state of domicile	XXXXXXXXXXXXXXXXXX	
*** 7c. Other State of Illinois Taxes and Fees Paid per Article XXV		XXXXXXXXXXXXXXXXXX
7d. Other State of Incorporation Taxes and Fees Paid, such as Fraud Fee (attach reconciliation)	XXXXXXXXXXXXXXXXXX	
**** 8. Net Privilege, Premium, Franchise Tax Paid		
9. Total Illinois Basis (may be negative if income tax refund was received)		XXXXXXXXXXXXXXXXXX
10. Total State of Incorporation Basis (cannot be less than -0-)	XXXXXXXXXXXXXXXXXX	
11. Total Retaliatory Tax Due (Line 10 minus Line 9; balance cannot be less than -0-).	XXXXXXXXXXXXXXXXXX	

\* If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1, page 5 in detail. Cancelled checks and IL1120 must be attached to verify payments made by non-licensed insurance companies.

\*\* Include this amount in the State of Incorporation Basis ONLY if it is in addition to the premium tax.

\*\*\* Listings shown in Department Rule 50 Illinois Administrative Code Ch. 1, 2515.50(c).

\*\*\*\* State of Illinois Basis should agree with Page 3, Line 9.

## Calendar Year

### Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax

Allocated by each Company's Illinois Premium Written (including annuities, but excluding deposit type funds) to the Unitary Group's Total Illinois Premium Written (Schedule U-1). Instructions by Rule 50, Ill. Adm. Code, Ch. 1, Part 2510.60b, Subchapter ee.

	Identity		Payment			Refund	Results
	1	2	3	4	5	6	7
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocation by Percentage (Col. 4 x Line 16)	Refund Offset Allocation by % (Col. 4 x Line 17)	Allowed (Col. 5 minus Col. 6)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

**Taxes Paid in Calendar Year by (Name of Company and the FEIN of Taxpayer) (show cash refunds as a negative):**

16. Total Taxes Paid in Calendar Year \_\_\_\_\_ (Cancelled checks and IL1120 must be attached to verify payments made by either non-licensed insurance companies or holding companies.)
17. Total Cash Refund received in Calendar Year \_\_\_\_\_
18. Net Available for Offset \_\_\_\_\_ (must agree with Column 7, Line 15 above).  
(This amount will be verified per the Department of Revenue records.)

#### Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities, but excluding deposit type funds) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year, the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year, the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

**Company Name:** \_\_\_\_\_

**Federal Employer Identification Number:** \_\_\_\_\_ - \_\_\_\_\_

Calendar Year Payment Summary	Column 1	Column 2
1. Amount due as Privilege Tax (Line 9, Page 3)		
2. Amount due as Retaliatory Tax (Line 11, Page 4)		
3. Total Privilege and Retaliatory Tax (Line 1 plus Line 2)		
4. <b>Total Privilege Tax Quarterly Installments Paid without applying prior year-end overpayment</b>		
5. <b>Total Retaliatory Tax Quarterly Installments Paid without applying prior year-end overpayment</b>		
6. <b>Total Quarterly Estimated Payments</b> (Line 4 plus Line 5)		
7. <b>Prior Year-End Overpayment</b> (as reported on prior year tax return)		
8. <b>Total Credits</b> (Line 6 plus Line 7)		
9. <b>Balance Due</b> (Line 3 less Line 8). If negative enter on Line 14.		
*10. Failure to file tax return penalty (\$400 per month or 10% of tax, whichever is greater)		
*11. Failure to pay tax penalty (10% of tax due)		
*12. Interest on the tax paid after due date per current IRS rate, with a minimum of 12%		
13. Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14. <b>Tax Overpayment (if Line 8 is greater than Line 9)</b>		

\* Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes.  
 \*\* Overpayments must be applied to future privilege or retaliatory tax liabilities unless there is a -0- tax. Cash refund requests must be submitted under separate cover with detailed factual support in accordance with 50 Ill. Adm. Code 2525.

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_ of the  
 (Signature of Corporate Officer)

\_\_\_\_\_ (Company)

declares under penalties of perjury that the foregoing return (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete.

**Date:** \_\_\_\_\_